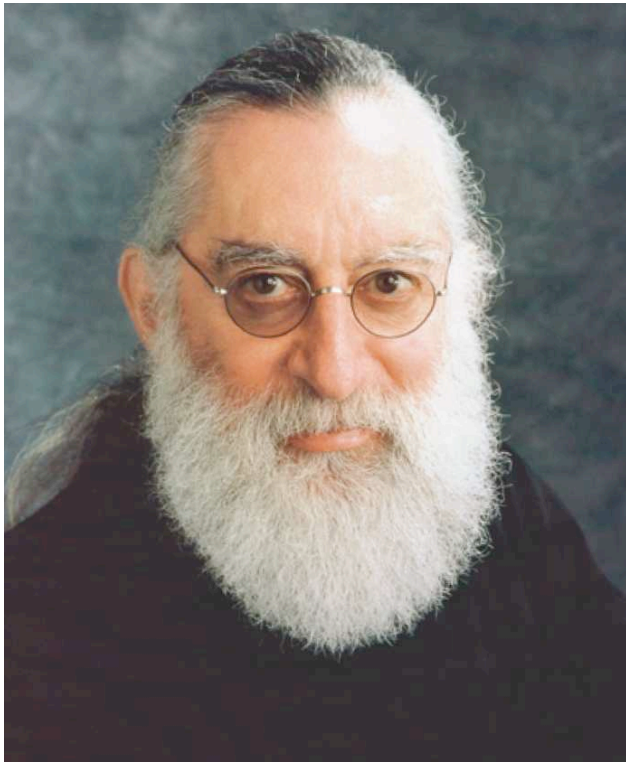


# Internet against warheads



**Bearded dreamer from San Francisco Joel Schatz showed with a personal example that direct communication between people can overcome any obstacles. Back in 1985 he organized a permanent computer conference between the U.S. and the USSR, in 1988 he prompted George Soros to invest in the Russian telecommunications, and in 1989 initiated the establishment of the first Soviet-American joint venture in the field of communications. In an interview with the chief editor of "Standard" Leonid Konik a 76-year-old Joel Schatz first disclosed the details of the activity in the Soviet Union.**

**- What events preceded the creation of the Soviet-American joint venture «SOVAM Teleport»?**

- In 1985, I had the idea to link via email two nuclear superpowers - the US and the USSR, which began to promote bilateral dialogue between them. At that time our countries had about 50 thousand nuclear warheads aimed at each other while they were bound by only 33 international telephone channels. The situation was clearly explosive: on one hand, a destructive potential, and on the other - limited communications.

**- Why was it you to decide to tie the United States and the Soviet Union?**

- I did not have the telecommunications background: from 1975 I was engaged in energy, participated in the development of accounting standards of energy. In August 1983, my wife Diana and I visited the Soviet Union as tourists and saw that the Americans and Russian are very similar in courage and vision of evolution on Earth.

We met an amazing visionary - screenwriter Joseph Goldin, who introduced us to the famous Soviet scientists, artists, filmmakers and writers. We fell in love with the people in the Soviet Union - after a lifetime of almost no information on this rich and

80 based on the processor ZiLog Z80), equipped with a socket for computer communication over a telephone line, and asked him to bring me in contact with the right person with whom I could discuss the creation of a channel for computer conferencing between the U.S. and the USSR. Rauschenbach directed me to Academician Boris Naumov, director of

All-Union Institute of applied automated systems Oleg Smirnov.

**Our first online exchange was close to the natural human communication, enabling communication for people who are at opposite ends of the Earth, as if they are sitting in the same room "**

inventive culture.

**- How did the All-Union Institute of applied automated systems become your partner in the USSR?**

- Joseph Goldin introduced me to the famous scientist in the field of rocketry Boris Raushenbakh. I showed him my laptop Tandy/Radio Shack (model TRS-

the Institute of Informatics Problems, who in turn advised to contact the Ministry of Communications of the USSR. I sent a telex in the name of the Soviet minister Vasily Shamshin requesting a meeting, and in return got advice to speak with the director of the

I met with Oleg in the spring of 1985, and he agreed to the experiment. We have created a channel for computer conferencing between the United States and the USSR. From the Soviet side it was provided by VNIIPAS, and from the American side I was the moderator.

#### Did you act as a private person?

- Not really. I started this project on a nonprofit basis, having received initial funding from two philanthropists from San Francisco: Don Carlson and Henry Daykin. I also received help from the Californian fund - Ark Foundation. A server to create a communication channel with the USSR was kindly provided by Dr. Murray Turoff - originator of teleconferencing, director of the Center of computer conferencing and communications at the Technological Institute of New Jersey (NJIT). This server is used as a system of electronic exchange of information for many teleconferences; ours got a code C352.

The first computer conference between the US and the USSR took place on June 26, 1985. It was moderated by me and the first participant on the American side was Murray Turoff.

The number of participants of C352 conference grew, and in April 1986 I created a nonprofit organization San Francisco/Moscow TeLeport (SFMT) for its support. In the next two years SFMT and VNIIPAS connected to this teleconference a significant number of participants, and in 1988 I turned to George Soros for financial support.

I knew Soros from 1983, the head of the Moscow office of the Soros Foundation Vladimir Aksenov gave me his phone number (we were both engaged in searching tools and ways of sending a talented seven-year old pianist Polina Ossetinskaya to study in San Francisco Conservatory).

George Soros advised me to convert SFMT into a commercial organization and

offered to put into it \$ 250 thousand with the condition that I find the second investor with the same amount of money within the next 24 hours. I called a New York financier and philanthropist Alan Slifka and he agreed to act as a co-investor.

The next day Alan Slifka and George Soros transferred to my personal bank account \$500 thousand without signing any documents! And I converted SFMT into a commercial company, by registering it in California, and transferred the money to a new legal entity. All of this happened in 1988.

#### - Was this SFMT a real teleport with satellite antennas and space communication channels?

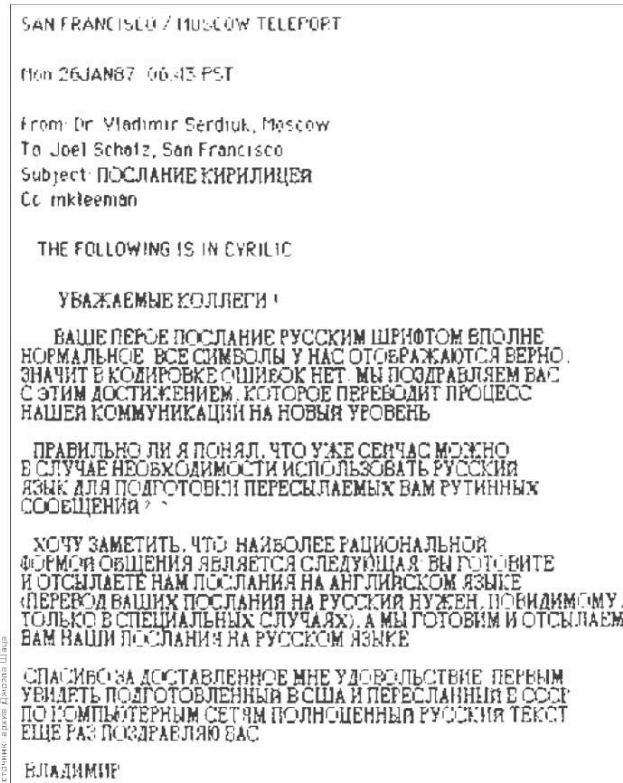
- At first we were a virtual teleport. Since 1985, the communication with VNIIPAS was carried out from New Jersey via a underwater cable of Tymnet company to Europe, and further via the network of the Austrian telecom operator Radio Austria up to the International Institute for Applied Systems Analysis (IIASA) near Vienna, from where VNIIPAS had overland communication channel to Moscow.

- But in February 1989 we launched a satellite communication channel. With the permission of Academician Yevgeny Velikhov I ordered from IntelSat a satellite channel between Moscow and Staten IsLand TeLeport in New York, which was docked with a land line, which connects this teleport with the server of SFMT in San Francisco.

#### - How was «Sovam Teleport» created?

- In 1989 it became clear that in the Soviet Union there is a demand for the services of e-mail and teleconferencing: they were needed by joint ventures, representative offices of foreign companies, embassies. We agreed with VNIIPAS and in September 1989 signed the founding documents of the joint venture "SOVAM Teleport." Oleg Smirnov and I were true

partners, therefore shared authorized capital of the joint venture between SFMT and VNIIPAS by 50/50. Vladimir Teremetskiy was chosen to be a General Director that from the first days was a member of a computer conference C352. When we created "SOVAM Teleport", the Ministry of communication of USSR started to figure out why SFMT didn't take the Ministry as a partner and in response I reminded them of how they guided me in 1985 to VNIIPAS. Demand for "SOVAM Teleport" was giant, and no potential client said that they were not interested in it. At the same time telephone lines in Moscow were then of a



terrible quality, American modems did not function on them. I personally spoke to the Chicago firm «USRobotics», which produced modems, asking them to improve modems to work on shoddy Soviet telephone lines.

#### - How did «SOVAM Teleport» occur in Golden Telecom Holding?

- After creating "SOVAM Teleport", already in 1990, I organized a joint venture in Moscow "Sovintel", 50% of its share capital owned by SFMT, and the other half - by the main control center of intercity network of the USSR which subsequently joined "Rostelecom".

- In February 1995 SMFT changed its name to GLOBAL TeLeSystems Group (GTS), which reflected a new area of its business interests. GTS established telecommunications companies in Russia (BCL, «TeleRoss», "Telephone network of Moscow" as well as Vostok MobiLe and "Primtelefon" merging into a sub-holding GTS Cellular)

The first message in a teleconference C352 from the Soviet part written in Cyrillic, the author - Vladimir Serdyuk, staff member of VNIIPAS (January 26, 1987)

TELEPORT CONFERENCE NOTES EIES GC 352 VOLUME I Page 1

C352 GC2 Joel Schatz (2464) 6/26/85 1:03 AM L:66 KEYS:/WELCOME/

WELCOME TO C352...a private conference sponsored by the ARK Communications Institute. I would like to share with you a personal perspective at the outset. I see this conference as a unique opportunity to create innovative dialog among professionals in the United States and the Soviet Union. This opportunity comes to us at a time when improvements in creative communication and cooperation are required for the wellbeing and continued peaceful evolution of Humanity. The primary aim of this conference (C352) is to establish and evaluate a computer communications network designed to facilitate Soviet/U.S. scientific exchange. With mutual concurrence eventual applications could extend into business, education and cultural exchanges. I wish to thank Professor Oleg Smirnov, Director of the Institute for Automated Systems, Moscow, for his offer to coordinate Soviet participation in the conference, and I invite Soviet and American participants to pursue this conference with vigorous vision, active participation and a sense of humility in the face of current global realities. If this conference is to be successful and expand it is essential that both the Soviet and U.S. design teams reach consensus on objectives, agenda, timelines and procedures. I (2464) will serve as conference moderator (please note "4352-ARK Guest" appears in the conference as "moderator" as an artifact, since we are using account #352 for the conference environment). In this role I will endeavor to maintain focus on the conference agenda, foster active participation and timely responses by conference members, suggest ways to resolve differences and coordinate periodic editing of the ongoing discussion. I will also be able to meet personally with Prof. Smirnov and his colleagues in upcoming visits to the Soviet Union this summer and fall. We at ARK envision a three stage process for conference C352, and welcome comments and suggestions as we proceed. Please remember this is a shared conference: input from all participants is desired and necessary for its success: STAGE I: Creating a reliable and flexible U.S./Soviet computer communications channel to facilitate scientific exchange.

STAGE II: Initiating U.S./Soviet scientific exchange via this channel. Once the Stage I has been completed the channel will be available for use. This is the main reason for the conference, and we hope it will be used vigorously.

STAGE III: Expanding the computer communications channel to other areas such as business, education and cultural applications. As we experience success with the conference, it may become desirable to expand its user community to include such other disciplines as we mutually agree to its use and potential benefits. Details of each of these three proposed stages are described in separate items--to follow to get the process underway I suggest we introduce ourselves, by saying a few words about our personal and professional interest in, and hopes for C352. While Soviet participants can review the EIES directory to learn something about the backgrounds and

Открывающее сообщение первой компьютерной конференции между США и СССР, код C352, модератор - Джоэл Шац (26 июня 1985 года)

In Europe (GTS Hungary, GTS Monaco Access, Hermes Europe Railtel, Czech Tel), in China (Beijing Tianmu, Shanghai V-Tech).

In 1999 GTS established holding GoLden TeLecom for the work in the CIS countries and handed over its Russian assets to it. In the same year 1999 "TeleRoss" absorbed "Sovam Teleport" and soon dissolved in GoLden TeLecom. Finally, in 2007 GoLden TeLecom was absorbed by "VimpelCom".

- When did you personally become aware that the Internet - is more than a communication service?

- Since the launch of the line between SFMT and VNIIPAS our communication has become much less formal than through the traditional for those times telex. Teleconference participants felt free, often joked and had fun, still sharing serious ideas and documents. Our first online exchange was close to the natural human communication, enabling communication for people who are at opposite ends of the Earth, as if they are sitting in the same room. Obvious advantages of online communication amplified a clear sense of the power of direct communication between people, regardless of their titles, fame, experience, etc.

- How would you assess the importance of the Internet in today's perspective?

- Internet still today is at an early stage of development. This is a digital environment capable to break the boundaries of the ego, which historically prevented individuals, groups and nations to understand the power of mutual fruitful exchange of ideas and cooperation for the preparation of the next exciting chapter in the evolution of human civilization! ©

